

annual report



2024

Konges Sløjd A/S

Kuglegårdsvej 17, 1F
1434 Copenhagen
CVR No. 36718714



Contents

Entity details	4
Statement by Management	5
Independent auditor's report	6
Management commentary	10
Income statement for 2024	13
Balance sheet at 31.12.2024	14
Statement of changes in equity for 2024	16
Notes	20
Accounting policies	26

Entity details

Entity

Konges Sløjd A/S
Kuglegårdsvej 17, 1F.
1434 Copenhagen

Business Registration No.: 36718714
Registered office: Copenhagen
Financial year: - 01.01.2024 31.12.2024

Board of Directors

Jens Christian Buhl, Chairman
Emilie Konge Breindal
Tonny Dragheim

Executive Board

Emilie Konge Breindal
Jesper Wærum Schreiber

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Annual report 2024

The Annual General Meeting adopted the
annual report on 26.03.2025

Jens Christian Buhl
Chairman of the General Meeting



Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Konges Sløjd A/S for the financial year 01.01.2024 - 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

In our opinion, the management commentary contains a fair review of the development of the Company's business and financial matters, the results for the year and the Company's financial position, together with a description of the principal risks and uncertainties that the Company face.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 26.03.2025

EXECUTIVE BOARD

Emilie Konge Breindal

Jesper Wærum Schreiber

BOARD OF DIRECTORS

Jens Christian Buhl
Chairman

Emilie Konge Breindal

Tonny Dragheim

Independent auditor's report

To the shareholders of Konges Sløjd A/S

OPINION

We have audited the financial statements of Konges Sløjd A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

STATEMENT ON THE MANAGEMENT COMMENTARY

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 26.03.2025

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State Authorised Public Accountant
Identification No (MNE) mne33712

Arif Aygar

State Authorised Public Accountant
Identification No (MNE) mne50634



Management commentary

FINANCIAL HIGHLIGHTS

	2024	2023	2022	2021	2020
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	137,780	138,787	110,605	95,739	61,247
Operating profit/loss	70,248	85,501	68,174	79,958	51,799
Net financials	2,332	(1,668)	(1,970)	2,148	(150)
Profit/loss for the year	56,613	65,297	51,634	64,072	39,843
Total assets	195,199	170,451	153,619	125,937	61,549
Investments in property, plant and equipment	2,858	4,955	4,724	2,755	261
Equity	144,127	113,167	113,246	98,180	51,038
Average number of employees	83	77	69	32	14
Ratios					
Return on equity (%)	44.01	57.68	48.84	85.88	111.75

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

PRIMARY ACTIVITIES

Konges Sløjd designs and produces children clothing, home interior and toys which it sells to partners and directly to consumers through its own DTC channels.

DEVELOPMENT IN ACTIVITIES AND FINANCES

Throughout 2024, Konges Sløjd continued to connect closer with consumers through a broad number of high-profile retail accounts and our own e-com channel across more than 100 countries worldwide.

We continued to invest in the operational platform of the company, revised our management structure, built local teams across key markets as well as implemented a significantly upgraded and scalable system platform covering all process areas including customer fronting applications.

Investment into product and the Konges Sløjd brand universe remained a critical focus area. Our product and qualities are the core components of our brand and throughout the year investments have been made to capture new and grow existing product categories.

Throughout the year we furthermore engaged closer with global brand partners mainly through social media. Something which will continue in the future.

We trust actions taken throughout the year has established a strong platform for growth and reduced the risk and complexity inherent in a scattered customer base.

Product Compliance

Supplier Compliance remains a key topic, targeting extended due diligence measures throughout our supply chain and in line with OECD guidelines.

Better material and certified fibers

Certifications now held include GOTS (Global Organic Textile Standard, OekoTex100 & FSC (Forest Stewardship Council), OCS (Organic Content Standard), RWS (Responsible Wool Standard), RDS (Responsible Down Standard), GRS (Global Recycled Standard) & RCS (Recycled Claim Standard).



Responsible production

Our entire Tier 1 supplier base is enrolled with minimum one of several Internationally recognized frameworks within social compliance. Hence all are subject to independent 3rd party auditing. We recognize different schemes such as Amfori (BSCI), Sedex, ICTI, GOTS & SA8000.

PROFIT/LOSS FOR THE YEAR IN RELATION TO EXPECTED DEVELOPMENTS

2024 was affected by a challenging market situation in key European markets, strong efforts to ensure lean and relevant inventory position and a significant ERP implementation mid-year which required organizational focus. The profit after tax for the year ended consequently at t.DKK 56.613, which despite being a solid landing of the year was below original expectations.

OUTLOOK

Based on the strategic and operational initiatives established throughout 2024 management expect to regain growth and increase profit after tax by approximately 5-10%.

EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



Income statement for 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss	2	137,779,704	138,786,834
Staff costs	3	(60,006,101)	(49,456,723)
Depreciation, amortisation and impairment losses	4	(7,525,246)	(3,829,087)
Operating profit/loss		70,248,357	85,501,024
Other financial income from group enterprises		1,136,825	411,724
Other financial income	5	2,616,831	1,620,220
Other financial expenses	6	(1,422,138)	(3,699,834)
Profit/loss before tax		72,579,875	83,833,134
Tax on profit/loss for the year	7	(15,967,224)	(18,535,845)
Profit/loss for the year	8	56,612,651	65,297,289

Balance sheet at 31.12.2024

ASSETS

	Notes	2024 DKK	2023 DKK
Completed development projects	10	18,508,119	1,217,224
Acquired trademarks		770,588	1,111,459
Development projects in progress	10	0	5,676,634
Intangible assets	9	19,278,707	8,005,317
Other fixtures and fittings, tools and equipment		2,205,613	3,205,043
Leasehold improvements		4,372,434	4,120,212
Property, plant and equipment	11	6,578,047	7,325,255
Investments in group enterprises		70,831	70,831
Deposits		2,953,908	2,464,414
Financial assets	12	3,024,739	2,535,245
Fixed assets		28,881,493	17,865,817
Manufactured goods and goods for resale		53,002,236	49,071,534
Prepayments for goods		3,157,540	2,559,890
Inventories		56,159,776	51,631,424
Trade receivables		35,571,247	23,193,430
Receivables from group enterprises		5,811,069	6,042,807
Deferred tax	13	0	158,841
Other receivables		3,165,292	417,248
Prepayments	14	2,648,945	2,449,932
Receivables		47,196,553	32,262,258
Cash		62,960,682	68,691,191
Current assets		166,317,011	152,584,873
Assets		195,198,504	170,450,690

EQUITY AND LIABILITIES

	Notes	2024 DKK	2023 DKK
Contributed capital		400,000	400,000
Reserve for fair value adjustments of hedging instruments		2,737,220	(1,610,297)
Reserve for development expenditure		14,436,333	5,377,209
Retained earnings		86,553,832	109,000,305
Proposed dividend		40,000,000	0
Equity		144,127,385	113,167,217
Deferred tax	13	1,356,880	0
Provisions		1,356,880	0
Prepayments received from customers		0	804,339
Trade payables		23,969,203	27,561,629
Payables to group enterprises		1,028,385	892,211
Joint taxation contribution payable		14,451,503	18,226,593
Other payables		10,265,148	9,798,701
Current liabilities other than provisions		49,714,239	57,283,473
Liabilities other than provisions		49,714,239	57,283,473
Equity and liabilities		195,198,504	170,450,690
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	15		
Contingent liabilities	16		
Assets charged and collateral	17		
Related parties with controlling interest	18		
Non-arm's length related party transactions	19		
Group relations	20		

Statement of changes in equity for 2024

	Contributed capital DKK	Reserve for fair value adjustments of hedging instruments DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed extraordinary dividend DKK
Equity beginning of year	400,000	(1,610,297)	5,377,209	109,000,305	0
Extraordinary dividend paid	0	0	0	0	(30,000,000)
Fair value adjustments of hedging instruments	0	4,347,517	0	0	0
Transfer to reserves	0	0	9,059,124	(9,059,124)	0
Profit/loss for the year	0	0	0	(13,387,349)	30,000,000
Equity end of year	400,000	2,737,220	14,436,333	86,533,832	0

	Proposed dividend DKK	Total DKK
Equity beginning of year	0	113,167,217
Extraordinary dividend paid	0	(30,000,000)
Fair value adjustments of hedging instruments	0	4,347,517
Transfer to reserves	0	0
Profit/loss for the year	40,000,000	56,612,651
Equity end of year	40,000,000	144,127,385



always sparkling,
never still



Notes

1 EVENTS AFTER THE BALANCE SHEET DATE

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 GROSS PROFIT/LOSS

Gross profit includes own work capitalized for DKK 2.9 million and other reimbursements for DKK 2.1 million.

3 STAFF COSTS

	2024	2023
	DKK	DKK
Wages and salaries	56,882,681	47,106,192
Pension costs	2,656,108	1,862,902
Other social security costs	467,312	487,629
	60,006,101	49,456,723
Average number of full-time employees	83	77

Special incentive programmes

The company have a warrants program for the employees, which also includes the Executive Board. The warrant program comprise of warrants in the ultimate parent company.

Remuneration of the Executive Board and Board of Directors amounted to DKK 6,181 thousand (2023: DKK 5,510 thousand).

4 DEPRECIATION, AMORTISATION AND IMPAIRMENT LOSSES

	2024	2023
	DKK	DKK
Amortisation of intangible assets	3,919,640	1,049,231
Depreciation of property, plant and equipment	3,605,606	2,779,856
	7,525,246	3,829,087

5 OTHER FINANCIAL INCOME

	2024	2023
	DKK	DKK
Other interest income	1,243,783	1,620,220
Exchange rate adjustments, net	1,367,170	0
Other financial income	5,878	0
	2,616,831	1,620,220

6 OTHER FINANCIAL EXPENSES

	2024	2023
	DKK	DKK
Other interest expenses	341,005	436,574
Exchange rate adjustments, net	0	2,579,999
Other financial expenses	1,081,133	683,261
	1,422,138	3,699,834

7 TAX ON PROFIT/LOSS FOR THE YEAR

	2024	2023
	DKK	DKK
Current tax	14,451,503	18,226,593
Change in deferred tax	1,515,721	309,252
	15,967,224	18,535,845

8 PROPOSED DISTRIBUTION OF PROFIT AND LOSS

	2024	2023
	DKK	DKK
Ordinary dividend for the financial year	40,000,000	0
Extraordinary dividend distributed in the financial year	30,000,000	65,000,000
Retained earnings	(13,387,349)	297,289
	56,612,651	65,297,289

9 INTANGIBLE ASSETS	Completed development projects DKK	Acquired trademarks DKK	Development projects in progress DKK
Cost beginning of year	2,334,727	1,512,387	5,676,634
Transfers	5,676,634	0	(5,676,634)
Additions	15,086,865	106,165	0
Cost end of year	23,098,226	1,618,552	0
Amortisation and impairment losses beginning of year	(1,117,503)	(400,928)	0
Amortisation for the year	(3,472,604)	(447,036)	0
Amortisation and impairment losses end of year	(4,590,107)	(847,964)	0
Carrying amount end of year	18,508,119	770,588	0

10 DEVELOPMENT PROJECTS

Completed development projects mainly relate to construction and improvement of own IT platform. This covers ERP system, PIM system, PLM system and order platforms for both DtC and BtB customers. Costs which add new functionality are capitalized when sales are expected to increase from these and/or productivity gains results in savings on running costs. Management expects that revenue will increase in the coming years and that the new IT platform will be a prerequisite for achieving the anticipated growth. With reference to section 83(2) of the Danish Financial Statement Act, deferred tax is set off against the capitalized costs for development projects in the reserve for development costs under equity.

11 PROPERTY, PLANT AND EQUIPMENT	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	7,361,523	5,448,360
Additions	1,220,824	1,637,573
Disposals	(833,622)	(694,826)
Cost end of year	7,748,725	6,391,107
Depreciation and impairment losses beginning of year	(4,156,480)	(1,328,147)
Depreciation for the year	(2,220,254)	(1,385,352)
Reversal regarding disposals	833,622	694,826
Depreciation and impairment losses end of year	(5,543,112)	(2,018,673)
Carrying amount end of year	2,205,613	4,372,434

12 FINANCIAL ASSETS	Investments in group enterprises DKK	Deposits DKK
Cost beginning of year	70,831	2,464,414
Additions	0	2,460,562
Disposals	0	(1,971,068)
Cost end of year	70,831	2,953,908
Carrying amount end of year	70,831	2,953,908

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity DKK	Profit/loss DKK
Konges Sloejd INC	USA	INC	100.00	287,890	325,339

13 DEFERRED TAX	2024 DKK	2023 DKK
Changes during the year		
Beginning of year	158,841	468,093
Changes in deferred tax	(1,515,721)	(309,252)
End of year	(1,356,880)	158,841

14 PREPAYMENTS

Prepayments under assets comprise costs related to subsequent financial years such as service agreements.

15 UNRECOGNISED RENTAL AND LEASE COMMITMENTS	2024 DKK	2023 DKK
Liabilities under rental or lease agreements until maturity in total	9,153,284	5,900,342

16 CONTINGENT LIABILITIES

The Company participates in a Danish joint taxation arrangement in the financial year where Kite Topco ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

17 ASSETS CHARGED AND COLLATERAL

There are no assets charged or collateral at the balance sheet date.

18 RELATED PARTIES WITH CONTROLLING INTEREST

Kite Topco ApS, Kuglegårdsvej 17, 1434 København K, Danmark, owns 100% of the shares of the Company.

19 NON-ARM'S LENGTH RELATED PARTY TRANSACTIONS

In the annual report only transactions with related parties which are not processed on market terms are described. No such transactions are processed in the financial year.

20 GROUP RELATIONS

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Kite Topco ApS, Kuglegårdsvej 17, 1434 København K, Danmark



Accounting policies

REPORTING CLASS

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

RECOGNITION AND MEASUREMENT

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

RECOGNITION AND MEASUREMENT

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in the reserve for fair value adjustments of hedging instruments in equity. When the hedged transactions are realised, the accumulated changes are

recognised as part of cost of the relevant financial statement items.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

INCOME STATEMENT

Gross profit or loss

Gross profit includes revenue, changes to inventories, own work capitalised, other operating income, cost of consumables and other external expenses.

Revenue

Revenue from the sale of goods is recognised in the income statement when delivery is made and risk has passed to the buyer, and revenue from fees is recognised in the income statement when the service is performed. Revenue is recognised net of VAT, and duties and is measured at fair value of the consideration fixed.

Changes in inventories of finished goods and work in progress

Changes in inventories of finished goods and work in progress comprise decreases or increases for the financial year in inventories of finished goods and work in progress. This item includes normal writedowns of such inventories.

Own work capitalised

Own work capitalised comprises staff costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including staff related reimbursements and rental income.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Company's ordinary activities, including expenses for distribution, logistics, premises, marketing costs, IT-costs and corporate costs. This item also includes writedowns of receivables recognized in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation relating to property, plant and equipment comprise depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises and currency gains.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and currency losses.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Company is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

BALANCE SHEET

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights and acquired intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to develop, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement

as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and consultants that are directly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. The amortisation periods used are 3 years.

Acquired trademarks are measured at cost less accumulated amortisation. The amortisation period used are 3 years.

Development projects and acquired trademarks etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of the assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

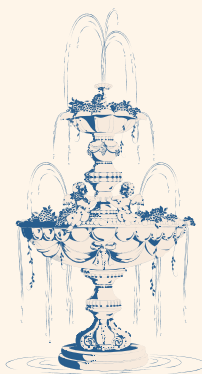
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

CASH FLOW STATEMENT

Cash flow statement has not been prepared for the Company as the cash flow is included in the cash flow statement of the consolidated financial statements of the ultimate parent company cf. the Danish Financial Statements Act § 86 (4).



come on, let's go
it's our time
to steal the show

XOXO

Skonges slojd

